THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.No.18655 of 2000

Dated:10.11.2006

Between
Pusapati Surya Narayana Raju

.....Petitioner

and

1.The Deputy Registrar of
Coop.Societies, Vizzianagaram
and others.

...Respondents

THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.No.18655 of 2000

ORDER:

It appears that in view of the surcharge proceedings initiated against the petitioner, an award has been passed making him liable to pay a sum of Rs.29,597/- along with 21% interest. Aggrieved by the same, the petitioner filed an appeal before the Cooperative Tribunal being O.A.No.74 of 1998. The Tribunal vide its order dated 13.7.2000 partly allowed the appeal reducing the amount from Rs.29,597/- to Rs.19,597/-.

Now the point that arises for consideration in this writ petition is as to whether the rate of interest at 21% is said to be either illegal or arbitrary.

Learned counsel for the petitioner relied upon a judgment rendered by this Court in Writ Petition

No.14364 of 2000 dated 9-12-2003, wherein this Court after considering the mater arising under similar circumstances directed the respondents therein to reduce the interest from 18% to 10%.

Learned Government Pleader on verification of the judgment did not dispute the applicability of the said judgment to the facts of this case.

In view of the above, I am of the opinion that it is appropriate to modify the order of the Tribunal insofar as interest is concerned. Accordingly, the interest shall stand reduced from 21% to 10%.

Learned Government Pleader submits that there is no documentary proof as to payment of entire amount to the society. Therefore, order passed by this Court shall be given effect to, in case the petitioner has already deposited the entire principle amount by crediting to the account of the society.

Writ petition is disposed of accordingly. No costs.

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10-11-2006

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